



Billing Code: 8070-01-P

FEDERAL HOUSING FINANCE AGENCY

[No. 2012-N-19]

Proposed Collection; Comment Request

AGENCY: Federal Housing Finance Agency.

ACTION: 60-day Notice of Submission of Information Collection for Approval from the Office of Management and Budget.

SUMMARY: In accordance with the requirements of the Paperwork Reduction Act of 1995, the Federal Housing Finance Agency (FHFA) is seeking public comments concerning a currently approved information collection known as “Affordable Housing Program (AHP),” which has been assigned control number 2590-0007 by the Office of Management and Budget (OMB). FHFA intends to submit the information collection to OMB for review and approval of a three year extension of the control number, which is due to expire on February 28, 2013.

DATES: Interested persons may submit comments on or before [INSERT 60 DAYS AFTER PUBLICATION IN THE FEDERAL REGISTER].

COMMENTS: Submit comments to FHFA using any of the following methods:

- **E-mail:** regcomments@fhfa.gov. Please include Proposed Collection; Comment Request: “Affordable Housing Program (AHP),” (No. 2012-N-19) in the subject line of the message.
- **Mail/Hand Delivery:** Federal Housing Finance Agency, Eighth Floor, 400 Seventh Street SW, Washington, DC 20024, ATTENTION: Public

Comments/Proposed Collection; Comment Request: “Affordable Housing Program (AHP),” (No. 2012-N-19).

- Federal eRulemaking Portal: <http://www.regulations.gov>. Follow the instructions for submitting comments. If you submit your comment to the Federal eRulemaking Portal, please also send it by e-mail to FHFA at regcomments@fhfa.gov to ensure timely receipt by the agency.

We will post all public comments we receive without change, including any personal information you provide, such as your name and address, on the FHFA website at <http://www.fhfa.gov>. In addition, copies of all comments received will be available for examination by the public on business days between the hours of 10 a.m. and 3 p.m., at the Federal Housing Finance Agency, Eighth Floor, 400 Seventh Street, SW, Washington, DC 20024. To make an appointment to inspect comments, please call the Office of General Counsel at (202) 649-3804.

FOR FURTHER INFORMATION CONTACT: Sylvia C. Martinez, Principal Advisor/Manager, Office of the Deputy Director, Division of Bank Regulation (DBR), Sylvia.Martinez@fhfa.gov, (202) 649–3301; or Deattra D. Perkins, Senior Policy Analyst, DBR, Deattra.Perkins@fhfa.gov, (202) 649-3133 (not toll-free numbers). The telephone number for the telecommunications device for the deaf is (800) 877-8339.

SUPPLEMENTARY INFORMATION:

A. Background

Section 10(j) of the Federal Home Loan Bank Act (Bank Act) requires each Bank to establish an affordable housing program, the purpose of which is to enable a Bank’s members to finance homeownership by households with incomes at or below 80% of the

area median income (low- or moderate- income households), and to finance the purchase, construction, or rehabilitation of rental projects in which at least 20% of the units will be occupied by and affordable for households earning 50% or less of the area median income (very low-income households). See 12 U.S.C. 1430(j)(1) and (2). The Bank Act requires each Bank to contribute 10% of its previous year's net earnings to its AHP annually, subject to a minimum annual combined contribution by the 12 Banks of \$100 million. See 12 U.S.C. 1430(j)(5)(C).

The AHP regulation requires each Bank to establish a competitive application program under which each Bank accepts applications from its members for AHP subsidized advances or direct subsidies (grants). See 12 CFR 1291.5. The Bank evaluates the applications pursuant to AHP regulatory eligibility requirements and AHP regulatory and Bank scoring guidelines, and awards funds to the highest scoring applications. In addition, the AHP regulation authorizes a Bank, in its discretion, to set aside a portion of its annual required AHP contribution to establish homeownership set-aside programs for the purpose of promoting homeownership for low- or moderate-income households. See 12 CFR 1291.6. Under the homeownership set-aside programs, a Bank may provide AHP direct subsidies to members to pay for down payment assistance, closing costs, and counseling costs in connection with a household's purchase of its primary residence, and for rehabilitation assistance in connection with a household's rehabilitation of an owner-occupied residence. See 12 CFR 1291.6(c)(4). Currently, a Bank may allocate up to the greater of \$4.5 million or 35% of its annual required AHP contribution to homeownership set-aside programs in that year.

B. Need for and Use of the Information Collection

The Banks use AHP data collection to determine whether an AHP applicant satisfies the statutory and regulatory requirements to receive AHP subsidies. FHFA's use of the information is necessary to verify that Bank funding decisions, and the use of the funds awarded, are consistent with statutory and regulatory requirements. The AHP information collection is found in the Data Reporting Manual (DRM). See Resolution Number 2006-13 (available electronically in the FOIA Reading Room: <http://www.fhfa.gov/Default.aspx?Page=256&ListYear=2006&ListCategory=9#9|2006>).

The OMB number for the information collection is 2590-0007. The OMB clearance for the information collection expires on February 28, 2013. The likely respondents are institutions that are Bank members.

C. Burden Estimate

FHFA analyzed the cost and hour burden for the six facets of the AHP information collection: AHP competitive applications; verifications of statutory and regulatory compliance of AHP competitive applications at the time of subsidy disbursement; AHP modification requests; AHP monitoring agreements; AHP recapture agreements; and homeownership set-aside program applications. As explained in more detail below, the estimate for the total annual hour burden for applicant and member respondents for all seven facets of the AHP information collection is 60,140 hours.

1. AHP Competitive Applications

FHFA estimates a total annual average of 1,500 competitive applications for AHP funding, with 1 response per applicant, and a 24 hour average processing time for each application. The estimate for the total annual hour burden for AHP competitive applications is 36,000 hours (1,500 applicants x 1 application x 24 hours).

2. Verification of Statutory and Regulatory Compliance of AHP Competitive Applications at Time of AHP Subsidy Disbursement

The FHFA estimates a total annual average of 600 submissions by members/applicants that the Banks review to verify compliance with statutory and regulatory requirements at the time of AHP subsidy disbursement, with a 1 hour average preparation time for each submission. The estimate for the total annual hour burden for preparation of compliance submissions is 600 hours (600 subsidy disbursements x 1 submission per disbursement x 1 hour).

3. AHP Modification Requests

The FHFA estimates a total annual average of 180 modification requests, with 1 response per requestor, and a 2.5 hour average processing time for each request. The estimate for the total annual hour burden for AHP modification requests is 450 hours (180 requestors x 1 request x 2.5 hours).

4. AHP Monitoring Agreements

The FHFA estimates a total annual average of 600 AHP monitoring agreements, with 1 agreement per respondent. The estimate for the average hours to implement each AHP monitoring agreement and prepare and review required reports and certifications is 7.75 hours. The estimate for the total annual hour burden for AHP monitoring agreements is 4,650 hours (600 respondents x 1 agreement x 7.75 hours).

5. AHP Recapture Agreements

The FHFA estimates a total annual average of 360 AHP recapture agreements, with 1 agreement per respondent. The estimate for the average hours to prepare and implement an AHP recapture agreement is 4 hours. The estimate for the total annual

hour burden for AHP recapture agreements is 1,440 hours (360 respondents x 1 agreement x 4 hours).

6. Homeownership Set-aside Program Applications

The FHFA estimates a total annual average of 8,500 homeownership set-aside program applications, with 1 application per respondent, and a 2 hour average processing time for each application. The estimate for the total annual hour burden for homeownership set-aside program applications is 17,000 hours (8,500 respondents x 1 application x 2 hours).

D. Comment Request

Written comments are requested on: (1) Whether the collection of information is necessary for the proper performance of FHFA functions, including whether the information has practical utility; (2) The accuracy of the FHFA's estimates of the burdens of the collection of information; (3) Ways to enhance the quality, utility and clarity of the information collected; and (4) Ways to minimize the burden of the collection of information on members and applicants, including through the use of automated collection techniques or other forms of information technology. Comments may be submitted in writing at the address listed above in the **COMMENTS** section.

_____	December 20, 2012
Kevin Winkler,	Date
<u>Chief Information Officer, Federal Housing Finance Agency.</u>	